
BOND PURCHASE AGREEMENT

relating to

\$10,100,000

LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
ADJUSTABLE RATE INDUSTRIAL BUILDING
REVENUE BONDS, SERIES 2008
(ST. MARY ACADEMY PROJECT)

March __, 2008

THIS BOND PURCHASE AGREEMENT, dated March __, 2008, is by and among the LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (the “Issuer”), the ROMAN CATHOLIC BISHOP OF LOUISVILLE (the “Borrower”), a Kentucky nonprofit corporation doing business as St. Mary Academy, FIFTH THIRD BANK, an Ohio banking corporation (the “Bank”), and FIFTH THIRD SECURITIES, INC. (the “Underwriter”).

1. Background.

(a) The Issuer proposes to assist the Borrower in financing the acquisition of land at Brownsboro Road (Kentucky Highway 1694) and Schuler Lane in Norton Commons within the Louisville/Jefferson County Metro and the construction thereon of buildings containing classrooms, a cafeteria, meeting rooms, and office space for use and occupancy by the Borrower in furtherance of its nonprofit purposes of providing elementary and pre-school education.

(b) The Bonds will be issued pursuant to an ordinance (the “Bond Ordinance”) adopted by the Issuer on _____, 2008 and will be secured under a Trust Indenture (the “Indenture”), dated as of March 1, 2008, as amended or supplemented from time to time, between the Issuer and The Bank of New York Trust Company, N.A., as trustee (the “Trustee”) for the holder of the Bonds. The Bonds will be payable from the Revenues, as defined in the Indenture, including the Project Note, as defined in a Loan Agreement (the “Agreement”), dated as of March 1, 2008, between the Issuer and the Borrower, pursuant to which the Issuer will make the proceeds of the Bonds available to the Borrower for the purposes therein described. The Bonds will also be secured by an assignment pursuant to the Indenture of the Issuer’s rights under the Agreement. The principal of, premium, if any, and up to 45 days’ interest on, and certain purchase price payments relating to the Bonds will be secured by an irrevocable Letter of Credit (the “Letter of Credit”), dated the date of initial delivery of the Bonds, issued by the Bank in favor of the Trustee. Pursuant to a Reimbursement Agreement dated as of March 1, 2008 (the “Reimbursement Agreement”) the Borrower will agree to reimburse the Bank for amounts drawn on the Letter of Credit. Pursuant to the Indenture, Bondholders initially will have certain options to tender Bonds for purchase, which tendered Bonds will be purchased with funds drawn on the Letter of Credit, subject to subsequent remarketing as provided in the Indenture.

(c) It is intended that the Project will conform with the provisions of Chapter 103 of the Kentucky Revised Statutes (the “Act”), that the proceeds of the Bonds will be expended so that the interest on the Bonds will not be includable in gross income for the purposes of Federal income taxation, and that the Bonds may be sold by the Underwriter to the purchasers without registration of any security under the Securities Act of 1933 (the “Securities Act”) or qualification of any indenture under the Trust Indenture Act of 1939 (the “Trust Indenture Act”). In order that interest on the Bonds remains excludable from gross income for federal income tax purposes, the Issuer, the Borrower, and the Trustee have entered into a tax compliance agreement of even date herewith (the “Tax Compliance Agreement”).

(d) In order to induce the Issuer and the Underwriter to enter into this

Bond Purchase Agreement, to induce the Issuer to issue and deliver the Bonds, and to induce the Underwriter to purchase the Bonds, the Borrower and the Bank have joined in this Bond Purchase Agreement.

(e) Subject to the provisions of the Agreement and the Indenture, the proceeds of the sale of the Bonds are to be made available to the Borrower to pay, or to reimburse the Borrower for the payment of, costs of the acquisition and construction of the Project. The Borrower shall also pay certain expenses related to the issuance of the Bonds, including the costs of preparing and reproducing or printing the Indenture, the Agreement, the Tax Compliance Agreement, the Letter of Credit, the Reimbursement Agreement, the Bonds, the Bond Ordinance, the Preliminary Offering Circular and Offering Circular describing the Bonds (collectively, the “Offering Circular”), any expenses incurred in connection with the qualification of the Bonds under state securities laws, the fees and disbursements of the Issuer, the Borrower, the Trustee, the Underwriter, the Bank, and Bond Counsel and their respective counsel, and other expenses for which payment or reimbursement is permitted under the provisions of the Agreement, including without limitation the Trustee’s acceptance fee, fees for obtaining CUSIP numbers for the Bonds, and fees payable in respect of the Bonds to the Municipal Securities Rulemaking Board and any other applicable governmental body.

(f) The Borrower has provided the Underwriter with a copy of the Preliminary Offering Circular with respect to the Bonds. As of its date, the Preliminary Offering Circular was “deemed near final” by the Borrower and the Bank for purposes of Rule 15c2-12(b)(1) of the Securities and Exchange Commission, except for certain information which has been omitted in accordance with such Rule and which will be provided in the final Offering Circular. The Borrower and the Bank have agreed to provide the Underwriter with a reasonable number of copies of the final Offering Circular within seven business days of the date of this Bond Purchase Agreement.

(g) Each of the parties hereto represents and agrees that it has not knowingly participated in and will not knowingly participate in, and is not aware of, any offering or sale of any tax-exempt obligations (i) which has been, is being or will be conducted during the period commencing 15 days prior to the date hereof and ending 15 days after the Closing Date, (ii) which has been, is being or will be paid from the same source of funds as the Bonds, determined without regard to guarantees from unrelated parties, and (iii) which was, is being or will be made pursuant to the same plan of financing. For purposes of the foregoing sentence, tax-exempt obligations issued pursuant to the same plan of financing means tax-exempt obligations issued to finance a single facility or related facilities. The Underwriter further represents that it will not knowingly offer or place any of the Bonds hereunder to or with any holder or group of holders that has purchased, is purchasing or will purchase any obligations pursuant to an offering which satisfies the conditions in clauses (i) and (ii) of the first sentence of this paragraph.

(h) The Issuer has provided only the information in the section entitled “The Issuer” and has no responsibility for any other information in the Offering Circular. The Bank has provided only the information in the sections entitled “THE LETTER OF

CREDIT”, “THE REIMBURSEMENT AGREEMENT” and Appendix A and has no responsibility for any other information in the Offering Circular. The Borrower has provided only the information in the sections entitled “The Borrower, The Project and Use of Bond Proceeds” and has no responsibility for any other information in the Offering Circular.

(i) To provide for the remarketing of the Bonds pursuant to the terms of the Indenture, the Borrower and Fifth Third Securities, Inc., as Remarketing Agent, have entered into a Remarketing Agreement dated as of March 1, 2008 (the “Remarketing Agreement”).

(j) The Bonds are being issued in book-entry only form, and the parties acknowledge that, where appropriate, references herein to Bonds shall mean book entry interests therein.

(k) Pursuant to the requirements of KRS 103.230(1), this Bond Purchase Agreement shall constitute the written request of the Borrower to the Issuer, hereby addressed to the Issuer, that the sale of the Bonds shall be made privately upon a negotiated basis as herein provided.

2. Purchase, Sale and Closing.

(a) On the basis of the representations and warranties contained herein and in the other agreements referred to herein and subject to the terms and conditions set forth herein, the Underwriter agrees to purchase from the Borrower all (but not less than all) of the Bonds as contemplated herein. The purchase price of the Bonds shall be \$10,100,000. As compensation for its services in placing the Bonds, the Borrower shall pay to the Underwriter a fee of \$28,750, such fee, together with the expenses described in Section 12 hereof, to be payable by wire transfer in immediately available funds on the Closing Date (as defined below).

(b) The Borrower has delivered or shall cause to be delivered to the Underwriter copies of the Preliminary Offering Circular and copies of the final Offering Circular relating to the Bonds substantially in the form of the Preliminary Offering Circular in quantities and at times sufficient to enable the Underwriter to comply with the rules of the Municipal Securities Rulemaking Board and the Securities and Exchange Commission. The Borrower hereby approves the use and distribution by the Underwriter to persons who may be interested in the purchase of the Bonds of the Preliminary Offering Circular and the Offering Circular, and hereby authorizes the Underwriter to use and distribute the Preliminary Offering Circular and the Offering Circular, and copies of the Indenture and all other documents, including without limitation the Letter of Credit and related documents, to be executed in connection with the placement and sale of the Bonds.

(c) Except as may be inconsistent with the provisions of this Bond Purchase Agreement, the Underwriter covenants and agrees to sell the Bonds at the price or prices set forth in the Offering Circular and to send to each original purchaser thereof a

copy of the Offering Circular concurrently with or prior to sending to such purchaser a final written confirmation of the sale. Further, the Underwriter agrees not to use the Offering Circular for the purpose of marketing the Bonds subsequent to receiving written notice from the Borrower which (i) states that the Offering Circular contains an untrue statement of a material fact or omits to state a material fact, and (ii) specifically identifies the untrue statement of a material fact or omission thereof, provided that upon the amendment of the Offering Circular to the satisfaction of the party delivering the notice pursuant hereto, the Underwriter may, subject to the continuing obligations contained herein, resume use of the amended Offering Circular in marketing the Bonds.

(d) At 10:00 a.m., Louisville, Kentucky time on March __, 2008, or at such earlier or later time or date as shall be agreed by the Borrower and the Underwriter (such time and date being herein referred to as the "Closing Date"), the Issuer will issue and deliver the Bonds in definitive form in the aggregate principal amount of \$10,100,000 registered in the name of CEDE & Co., duly executed by the Issuer and authenticated by the Trustee (or Authenticating Agent if an entity separate from the Trustee is acting as an authenticating agent) as provided for in the Indenture; and the Underwriter shall pay the purchase price for the Bonds as set forth in paragraphs (a) and (c) of this section by wire transfer in immediately available funds to an account specified by the Trustee, for the account of the Borrower (such delivery and payment being herein referred to as the "Closing"). The Bonds shall be made available to the Trustee a reasonable time before the Closing Date for purposes of inspection, packaging and authentication.

3. Issuer's Representations and Warranties. The Issuer makes the following representations and warranties:

(a) The Issuer is a municipal corporation and political subdivision of the Commonwealth of Kentucky ("Commonwealth"), duly organized and validly existing under the laws of the Commonwealth, and has full power and authority under the Act, among other things, (i) to issue revenue bonds, such as the Bonds, and to make the proceeds of such Bonds available to persons such as the Borrower for the purposes described in the Agreement, payable from the Loan Payments, as defined in the Agreement, from the Borrower and secured by a pledge of said Loan Payments, and (ii) to secure such Bonds in the manner contemplated by the Indenture.

(b) The Issuer has full legal right, power and authority (i) to adopt the Bond Ordinance, (ii) to enter into this Bond Purchase Agreement, the Indenture, the Letter of Representations (as defined in the Indenture), the Tax Compliance Agreement and the Agreement, (iii) to issue, sell and deliver the Bonds to the Underwriter as provided herein, and (iv) to carry out and consummate all other transactions contemplated by each of the aforesaid documents, and the Issuer has complied with all provisions of applicable law, including the Act, in all matters relating to such transactions.

(c) The Issuer has duly authorized (i) the issuance and sale of the Bonds upon the terms set forth herein and in the Indenture, (ii) the execution, delivery

and due performance of this Bond Purchase Agreement, the Bonds, the Indenture, the Tax Compliance Agreement and the Agreement, and (iii) the taking of any and all such action as may be required on the part of the Issuer to carry out, give effect to and consummate the transactions contemplated by such instruments. All consents or approvals, if any, necessary to be obtained by the Issuer in connection with the foregoing have been received, and the consents or approvals so received, if any, are still in full force and effect.

(d) The Bond Ordinance has been duly adopted by the Issuer, is in full force and effect and constitutes the legal, valid and binding act of the Issuer. This Bond Purchase Agreement constitutes, and the Indenture, the Letter of Representations, the Tax Compliance Agreement and the Agreement, when executed and delivered, will constitute legal, valid and binding obligations of the Issuer in accordance with their respective terms, except that enforceability may be limited by laws relating to bankruptcy, reorganization or other similar laws affecting the rights of creditors, by the exercise of judicial discretion in accordance with general principles of equity.

(e) When duly authenticated by the Trustee and delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Bond Purchase Agreement, the Bonds will have been duly authorized, executed, issued and delivered and will constitute legal, valid and binding limited obligations of the Issuer in conformity with the laws of the Commonwealth, including the Act, will be entitled to the benefit and security of the Agreement and the Indenture, and will be enforceable in accordance with their terms, except that enforceability may be limited by laws relating to bankruptcy, reorganization or other similar laws affecting the rights of creditors, by the exercise of judicial discretion in accordance with general principles of equity.

(f) Neither the adoption of the Bond Ordinance, the execution and delivery of this Bond Purchase Agreement, the Bonds, the Indenture or the Agreement, nor the consummation of the transactions contemplated therein or the compliance with the provisions thereof, will conflict with, or constitute on the part of the Issuer a violation of, or a breach of or default under, any statute, indenture, mortgage, commitment, note or other agreement or instrument to which the Issuer is a party or by which it is bound, or under any provision of the Kentucky Constitution or under any existing law, rule, regulation, ordinance, judgment, order or decree to which the Issuer is subject.

(g) Other than the Indenture and the Agreement, the Issuer has not entered into any contract or arrangement of any kind which might give rise to any lien or encumbrance on the Project or the Revenues.

(h) To the best knowledge of the Issuer, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Issuer, which in any way questions the powers of the Issuer referred to in paragraph (a) above, or the validity of any proceedings taken by the Issuer in connection with the issuance of the Bonds, or wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by, or the validity or enforceability of, the Bond Ordinance, the Indenture,

the Agreement, the Bonds, the Tax Compliance Agreement or this Bond Purchase Agreement.

(i) Any certificate relating to the Bonds signed by any official of the Issuer and delivered to the Underwriter at or before the Closing Date shall be deemed a representation and warranty by the Issuer to the Underwriter as to the truth of the statements therein contained.

4. Borrower's Representations and Warranties. The Borrower makes the following representations and warranties:

(a) The Borrower is a Kentucky nonprofit corporation. The Borrower has been determined by the Internal Revenue Service in a determination letter to be an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), which is exempt from federal income taxes under Section 501(a) of the Code and not a "private foundation" as defined in Section 509(a) of the Code; and such status of the Borrower has not been revoked, limited or impaired and no audit with respect to such status is pending. The Borrower has full power to own the Borrower's properties and conduct the Borrower's business. The Borrower has full legal right, power and authority to execute and deliver this Bond Purchase Agreement, the Agreement, the Project Note, the Reimbursement Agreement, and the Tax Compliance Agreement, to provide for the operation and management of the Project, and to take any and all such action as may be required on the Borrower's part to carry out, give effect to and consummate the transactions contemplated by this Bond Purchase Agreement, the Agreement, the Reimbursement Agreement and the Tax Compliance Agreement.

(b) The Borrower has duly authorized, executed and delivered this Bond Purchase Agreement, the Agreement, the Project Note, the Reimbursement Agreement, and the Tax Compliance Agreement, and has taken or will take all such action as may be required on the part of the Borrower to carry out, give effect to and consummate the transactions contemplated by each of the aforesaid documents. This Bond Purchase Agreement constitutes, and the Agreement, the Project Note, the Reimbursement Agreement, and the Tax Compliance Agreement, when executed and delivered, will constitute legal, valid and binding obligations of the Borrower enforceable in accordance with their respective terms, except that enforceability may be limited by laws relating to bankruptcy, reorganization or other similar laws affecting the rights of creditors, by the exercise of judicial discretion in accordance with general principles of equity.

(c) Neither the execution and delivery of this Bond Purchase Agreement, the Agreement, the Project Note, the Reimbursement Agreement, or the Tax Compliance Agreement, nor the consummation of the transactions contemplated therein or the compliance with the provisions thereof, will conflict with, or constitute on the part of the Borrower a violation of, or a breach of or default under any canonical rule, regulation or the like, statute, indenture, mortgage, commitment, note or other agreement or instrument to which the Borrower is a party or by which the Borrower is bound, or any order, rule or regulation of any court or governmental agency or body having jurisdiction

over the Borrower or any of the Borrower's activities or properties. All consents, approvals, authorizations and orders of governmental, church or regulatory authorities which are required for the Borrower's execution and delivery of, consummation of the transactions contemplated by and compliance with the provisions of this Bond Purchase Agreement, the Agreement, the Project Note, the Reimbursement Agreement, and the Tax Compliance Agreement have been or will be obtained.

(d) To the best knowledge of the Borrower, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened, against or affecting the Borrower or the actions taken or contemplated to be taken by the Borrower, nor, to the best knowledge of the Borrower, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the business, financial condition or operations of the Borrower, or the transactions contemplated by, or the validity or enforceability of, this Bond Purchase Agreement, the Tax Compliance Agreement, the Agreement, the Project Note, or the Reimbursement Agreement, or which would in any way question the tax-exempt status of the interest on the Bonds.

(e) No event has occurred and no condition exists which, upon issuance of the Bonds, would constitute (or with the giving of notice or lapse of time, or both, would constitute) an Event of Default under the Agreement or the Reimbursement Agreement.

(f) The Borrower is not in violation of any provision of any statute, regulation or the like, indenture, mortgage, commitment, note or other agreement or instrument to which the Borrower is a party or by which it is bound, or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Borrower or any of the Borrower's activities or properties, other than violations or defaults the effect of which do not and will not have a material adverse effect on the Borrower's business, financial condition or operations, or the transactions contemplated hereby.

(g) The Borrower hereby authorizes the distribution of the Offering Circular. The information contained in the section entitled "The Borrower, The Project and Use of Bond Proceeds" is, and as of the Closing Date will be, true and correct in all material respects, and the Offering Circular, with respect to such information, does not and will not contain any untrue or misleading statements of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

(h) The Borrower will furnish such information, execute such instruments, and cooperate with the Underwriter as the Underwriter may reasonably request in order for the Underwriter (i) to qualify the Bonds, or perfect an exemption from registration, for offer and sale of the Bonds under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate, and (ii) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and the Borrower will

use its best effort to continue such exemption or qualification in effect so long as required for distribution of the Bonds.

(i) Any certificate signed by any duly authorized officer of the Borrower and delivered to the Issuer, Bond Counsel, the original purchasers of the Bonds, the Underwriter or the Bank at or before the Closing Date shall be deemed a representation and warranty by the Borrower to the Issuer, Bond Counsel, the original purchasers of the Bonds, the Underwriter and the Bank as to the truth of the statements therein contained as of such date.

(j) No portion of the Project shall be used by the Borrower as a place of religious worship.

5. Bank's Representations and Warranties. The Bank makes the following representations and warranties:

(a) The Bank is an Ohio banking corporation duly organized and validly existing in good standing under the laws of the State of Ohio and authorized to do business in the Commonwealth. The Bank has full legal right, power and authority to execute and deliver this Bond Purchase Agreement, the Letter of Credit and the Reimbursement Agreement, and to take any and all such action as may be required on its part to carry out, give effect to and consummate the transactions contemplated by this Bond Purchase Agreement, the Letter of Credit and the Reimbursement Agreement.

(b) The Bank has duly authorized the execution and delivery of this Bond Purchase Agreement, the Letter of Credit and the Reimbursement Agreement, and the taking of all such action as may be required on the part of the Bank to carry out, give effect to and consummate the transactions contemplated by each of the aforesaid documents. This Bond Purchase Agreement constitutes, and the Letter of Credit and the Reimbursement Agreement, when executed and delivered, will constitute legal, valid and binding obligations of the Bank enforceable in accordance with their respective terms, except that enforceability may be limited by laws relating to bankruptcy, reorganization or other similar laws affecting the rights of creditors, and by the exercise of judicial discretion in accordance with general principles of equity.

(c) Neither the execution and delivery of this Bond Purchase Agreement, the Letter of Credit or the Reimbursement Agreement nor the consummation of the transactions contemplated therein or the compliance with the provisions thereof, will conflict with, or constitute on the part of the Bank a violation of, or a breach of or default under, its Articles of Incorporation or Code of Regulations or any statute, or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Bank. All consents, approvals, authorizations and orders of governmental or regulatory authorities which are required for the Bank's execution and delivery of, consummation of the transactions contemplated by and compliance with the provisions of this Bond Purchase Agreement, the Letter of Credit and the Reimbursement Agreement have been obtained; provided that the representations and warranties contained in this paragraph (c) shall not be construed to extend to compliance with or any filings or

approvals under the securities laws of the United States of America, the Commonwealth or any other jurisdiction.

(d) There is no action, suit, proceeding or inquiry, at law or in equity, before or by any court, public board or body, pending or, to the best knowledge of the Bank, threatened against or affecting the Bank, which would materially adversely affect the transactions contemplated by, or the validity or enforceability of, this Bond Purchase Agreement, the Letter of Credit or the Reimbursement Agreement.

(e) The Bank is not in violation of any provision of, or in default under, its Articles of Incorporation or Code of Regulations or any statute, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Bank, other than violations or defaults the effect of which do not and will not have a material adverse effect on its business, financial condition or operations, or the transactions contemplated hereby.

(f) Any certificate signed by any officer of the Bank and delivered to the Underwriter or the Issuer shall be deemed a representation and warranty by the Bank to the Underwriter and the Issuer as to the truth of the statements therein contained.

6. Covenants of the Issuer. The Issuer covenants that it will observe all covenants of the Issuer in the Indenture and the Agreement and will not issue or sell any bonds or obligations other than the Bonds referred to in the Indenture, the principal of, premium, if any, and interest on which are payable in whole or in part from the payments or Revenues (as defined in the Indenture) derived under the Agreement or are to be secured by a first lien on, or pledge of, the payments under the Agreement.

7. Covenants of the Borrower. The Borrower covenants as follows:

(a) The Borrower will apply the proceeds of the Bonds as provided in and subject to all of the terms and provisions of the Agreement and the Tax Compliance Agreement and will observe all covenants of the Borrower therein.

(b) The Borrower will take such action as may be reasonably requested to facilitate the timely consummation of the transactions contemplated by this Bond Purchase Agreement.

(c) The Borrower will notify the Underwriter and the Bank of any material adverse change in the business, properties or financial condition of the Borrower occurring before Closing.

(d) The Borrower will not take any action or permit any action to be taken on the Borrower's behalf, or cause or permit any circumstance within the Borrower's control to arise or continue, if such action would adversely affect the excludability from gross income for Federal income tax purposes of the interest on the Bonds.

(e) The Borrower will indemnify the Issuer for and against any loss or

damage occasioned by its issuance of the Bonds to the extent provided in, and subject to the conditions of Section 5.3 of the Agreement.

8. Covenants of the Bank. The Bank covenants as follows:

(a) The Bank will take such action as may be reasonably requested to facilitate the timely consummation of the transactions contemplated by this Bond Purchase Agreement.

(b) The Bank will notify the Underwriter of any material adverse change in the business, properties or financial condition of the Bank occurring before Closing.

(c) The Bank shall notify the Borrower immediately upon receipt of any draw by the Trustee upon the Letter of Credit to pay the principal of any Bonds which could not be remarketed.

9. Conditions of the Underwriter's Obligations. The obligations of the Underwriter hereunder shall be subject to the performance by the Issuer, the Borrower and the Bank of their respective obligations and agreements to be performed hereunder, at or prior to the Closing Date; to the accuracy as of the date hereof of the representations and warranties of the Issuer, the Borrower and the Bank contained herein; and to the accuracy of such representations and warranties as if made on and as of the Closing Date.

The obligations of the Underwriter hereunder are subject to the following further conditions:

(a) On or prior to the Closing Date, the Underwriter shall have received:

(i) Opinions, dated the Closing Date, of counsel to the Borrower to the effect set forth in Appendix A; of Bond Counsel, to the effect set forth in Appendix B; and of counsel to the Bank to the effect set forth in Appendix C; in each case with such changes as the Underwriter may approve.

(ii) A certificate, dated the Closing Date, signed by an official of the Issuer satisfactory to the Underwriter, to the effect that (A) each of the representations and warranties of the Issuer set forth in Section 3 hereof and in the Indenture, the Tax Compliance Agreement and the Agreement is true, accurate and complete on the Closing Date as if made on and as of the Closing Date; and (B) each of the agreements of the Issuer to be complied with and each of the obligations of the Issuer to be performed hereunder, under the Indenture and under the Agreement and the Tax Compliance Agreement on or prior to the Closing Date has been complied with and performed.

(iii) A certificate, dated the Closing Date, signed by the Borrower, to the effect that (A) each of the representations and warranties of the Borrower set forth in Section 4 hereof and in the Agreement, the Reimbursement

Agreement and the Tax Compliance Agreement is true, accurate and complete on the Closing Date as if made on and as of the Closing Date; and (B) each of the agreements of the Borrower to be complied with and each of the obligations of the Borrower to be performed hereunder and under the Agreement, the Reimbursement Agreement and the Tax Compliance Agreement on or prior to the Closing Date has been complied with and performed.

(iv) A certificate, dated the Closing Date, signed by a duly authorized officer of the Bank satisfactory to the Underwriter, to the effect that (A) each of the representations and warranties of the Bank set forth in Section 5 hereof is true, accurate and complete on the Closing Date as if made on and as of the Closing Date; and (B) each of the agreements of the Bank to be complied with and each of the obligations of the Bank to be performed hereunder and under the Reimbursement Agreement on or prior to the Closing Date has been complied with and performed.

(v) Two executed copies of the Indenture, the Agreement, the Reimbursement Agreement and the Tax Compliance Agreement, two certified copies of the Bond Ordinance, and two copies of the executed Letter of Credit and the Project Note; all of the foregoing to conform in all material respects to the forms of the drafts thereof delivered to the Underwriter on or prior to the date hereof, with only such changes therein as may be approved by the Underwriter and its counsel.

(vi) Such additional certificates (including appropriate “no litigation” certificates), opinions, instruments or other documents as the Underwriter may request to evidence the truth, accuracy and completeness as of the Closing Date, of the representations and warranties of the Issuer, the Borrower and the Bank contained herein and the due performance and satisfaction by the Issuer, the Borrower and the Bank at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by each of them, as appropriate, in connection with this Bond Purchase Agreement, the Indenture, the Agreement, the Project Note, the Reimbursement Agreement, the Tax Compliance Agreement and the Letter of Credit.

(b) Between the date hereof and the Closing Date, legislation shall not have been enacted by the Congress or be actively considered for enactment by Congress, or recommended to the Congress for passage by the President of the United States, or introduced to either house of the Congress, nor a decision rendered by any court of competent jurisdiction, or the United States Tax Court, nor any order, ruling, regulation or Official Statement made by the United States Treasury Department or the Internal Revenue Service, with the purpose or effect of imposing Federal income taxation upon revenues or other income of the character derived by the Issuer under the Agreement or upon the interest to be paid on the Bonds or on bonds of the general character of the Bonds.

(c) Between the date hereof and the Closing Date, legislation shall not

have been enacted by the Congress or be actively considered for enactment by Congress, or recommended to the Congress for passage by the President of the United States, or introduced or favorably reported for passage to either house of the Congress, and neither a decision, order or decree of a court of competent jurisdiction, nor an order, ruling, regulation or official statement of or on behalf of the Securities and Exchange Commission shall have been rendered or made, with the purpose or effect that the issuance, offering or sale of the Bonds or any related security or obligations of the general character of the Bonds or any related security as contemplated hereby, or the execution and delivery of the Indenture or indentures similar thereto, is or would be in violation of any provision of, or is or would be subject to registration or qualification requirements under, the Securities Act or the Trust Indenture Act.

(d) Between the date hereof and the Closing Date, there shall not have occurred any action by the Comptroller of the Currency, the Federal Deposit Insurance Corporation or any governmental agency or court which calls into question the validity or enforceability of the Letter of Credit.

(e) None of the following shall have occurred: (i) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange or such trading shall have been suspended; (ii) the New York Stock Exchange or other national securities exchange, or the National Association of Securities Dealers, Inc. or other national securities association, or the Municipal Securities Rulemaking Board or other similar national self-regulatory rule-making board, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or change in the net capital requirements of, underwriters; (iii) a general banking moratorium shall have been declared by Federal, New York, Kentucky or Ohio authorities; or (iv) a war involving the United States of America, whether or not declared, or any other national or international calamity or crisis, or a financial crisis, shall have occurred, the effect of which, in the judgment of the Underwriter, would make it impracticable to market the Bonds or would materially and adversely affect the ability of the Underwriter to enforce contracts for the sale of the Bonds.

(f) All matters relating to this Bond Purchase Agreement, the Bonds, the Bond Ordinance, the Indenture, the Agreement, the Project Note, the Letter of Credit, the Reimbursement Agreement, the Tax Compliance Agreement and the consummation of the transactions contemplated by this Bond Purchase Agreement, shall be reasonably satisfactory to and subject to the approval of the Underwriter.

If any of the conditions specified in the preceding provisions of this Section shall have not been fulfilled when and as required by this Bond Purchase Agreement, this Bond Purchase Agreement and the Underwriter's obligations hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing Date. Any such termination shall be without liability on the Underwriter's part.

10. No Pecuniary Liability of Issuer. No provision, covenant, or agreement

contained in this Bond Purchase Agreement, and no obligation herein imposed upon the Issuer, or the breach thereof, shall constitute an indebtedness of the Issuer or the Commonwealth or any political subdivision thereof within the meaning of any Kentucky constitutional provision or statutory limitation or shall constitute or give rise to a pecuniary liability of the Issuer or the Commonwealth or any political subdivision thereof or a charge against its general credit or taxing powers. In making the agreements, provisions and covenants set forth in this Agreement, the Issuer has not obligated itself, except to the extent that the Issuer is authorized to act pursuant to Kentucky law and except with respect to the Revenues, as defined in the Indenture. The Issuer and any of its elected officials, officers, employees, or agents shall have no monetary liability arising out of the obligations of the Issuer hereunder or in connection with any covenant, representation or warranty made by the Issuer herein, and shall not be obligated to pay the cost of its counsel, in connection with the transactions contemplated hereby, and such counsel's reasonable expenses, and neither the Issuer nor its elected officials shall be obligated to pay any amounts in connection with the transactions contemplated hereby other than from Revenues or moneys received from the Borrower.

11. Survival of Representations, Warranties, Covenants, Agreements and Indemnities. All representations, warranties, covenants, agreements and indemnities contained in this Bond Purchase Agreement, or contained in the certificates of elected officials or officers of the Issuer, the Borrower or the Bank submitted pursuant hereto, shall remain operative and in full force and effect, regardless of any investigation by or on behalf of the Underwriter or any person controlling the Underwriter, and shall survive delivery of the Bonds to the Underwriter and payment therefor by the Underwriter.

12. Payment of Expenses. All reasonable expenses incident to the issuance of the Bonds (including the charges, fees and disbursements described in Section 1(e) above) will be paid by the Borrower (on the Closing Date to the extent statements therefor are then available). If the Bonds are not delivered to the Underwriter (other than because of a default by the Underwriter) as herein provided, all such out-of-pocket expenses, except as otherwise provided in the Reimbursement Agreement, shall be paid by the Borrower. The Underwriter shall not be obligated to pay any out-of-pocket expenses incurred in connection with the transactions contemplated by this Bond Purchase Agreement.

13. Indemnification.

(a) General. The Underwriter, the Bank and the Borrower (each, an "Indemnifying Party") each covenants and agrees to indemnify the other parties hereto and their respective directors, officers, and employees and each person, if any, who controls any of such persons within the meaning of Section 15 of the Securities Act (collectively, the "Indemnified Parties") for, and to hold each Indemnified Party harmless against, all liabilities, claims, costs, losses and expenses (including without limitation, to the extent permitted by law, reasonable attorneys' fees and expenses), imposed upon or asserted against the Indemnified Parties:

(i) Under any statute or regulation, at law, in equity or otherwise, insofar as those liabilities, claims, costs, losses and expenses arise out of or are based upon any untrue statement or alleged untrue statement of a

material fact with reference to the information referred to in Section 13(c) hereof contained in the Preliminary Offering Circular, the Offering Circular, or any amendment thereof or supplement thereto, or any other sales material used by the Underwriter (provided that the Indemnifying Party shall have approved in writing the use of such material), or which arise out of or are based upon any omission or alleged omission to state therein with reference to such information a material fact which is required to be stated therein or which is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading:

(ii) Pursuant to any action, claim or proceeding brought in connection with any of the foregoing; and

(iii) To the extent of the aggregate amount paid in settlement of any actions, claims or proceedings, commenced or threatened, based upon any untrue statement, alleged untrue statement, omission or alleged omission described above, if the settlement is effected with the written consent of the Indemnifying Party; and (unless the Indemnifying Party assumes the defense of the applicable claim, suit, action or proceeding pursuant to paragraph (b) below) shall reimburse any reasonable legal or other expenses incurred reasonably by any Indemnified Party in connection with investigating and defending any liability, claim, costs, loss, expense, action or proceeding described above; provided, nothing herein shall require the Indemnifying Party to pay for any losses, claims, damages, liabilities or expenses resulting from the negligence or the willful misconduct of an Indemnified Party. At the request and the expense of the Indemnifying Party, each Indemnified Party shall cooperate in making any investigation and defense of any action, claim or proceeding and shall assert appropriately the rights privileges and defenses which are available to the Indemnified Party in connection therewith.

(b) Procedure. The Indemnified Party shall, in the event of any claim, suit, action or proceeding against it, any of its directors, officers, partners, representatives or employees or any persons controlling it as referenced above, in respect of which indemnity may be sought on account of any indemnity agreement by the Indemnifying Parties contained herein, promptly give written notice thereof to the appropriate Indemnifying Parties. When such notice is given, the Indemnifying Party shall be entitled to conduct the defense of, or if it so elects, to assume the defense of, such claim, suit, action or proceeding, in which event such defense shall be conducted by counsel chosen by the Indemnifying Party and reasonably acceptable to the Indemnified Party or Parties, but if the Indemnifying Party shall elect not to assume such defense, it shall reimburse such Indemnified Party or Parties for the reasonable fees and expenses of any counsel retained by them. The foregoing notwithstanding, in the event that the Indemnifying Party shall assume such defense and any Indemnified Party or Parties shall be advised by independent legal counsel that counsel selected by the Indemnifying Party is not fully and adequately protecting such party or parties and representing the interests of such party or parties, any such Indemnified Party or Parties shall have the right to conduct its or their own defense against any such claim, suit, action or proceeding in

addition to or in lieu of any defense conducted by the Indemnifying Party, and the Indemnifying Party shall indemnify and hold harmless such Indemnified Party or Parties against and from any and all suits, claims, damages, liabilities or expenses whatsoever (including reasonable fees and expenses of counsel selected by such Indemnified Party or Parties) incurred by and arising out of or in connection with any such claim, suit, action or proceeding. An Indemnifying Party shall not be liable for the settlement of any claim, suit, action or proceeding effected without its written consent, which consent shall not be withheld unreasonably.

(c) The information as to which each Indemnifying Party hereto indemnifies the Indemnified Parties is as follows:

(i) The Borrower as Indemnifying Party: information in the sections entitled “The Borrower, the Project and Use of Bond Proceeds” set forth in the Preliminary Offering Circular and the Offering Circular;

(ii) The Underwriter as Indemnifying Party: information in the section of the Preliminary Offering Circular and the Offering Circular captioned "UNDERWRITING OF BONDS"; and

(iii) The Bank as Indemnifying Party: information in Appendix A of the Preliminary Offering Circular and Appendix A of the Offering Circular.

14. Parties in Interest. This Bond Purchase Agreement is made solely for the benefit of the Underwriter, persons controlling the Underwriter, the Issuer, its elected officials and officers, the Bank and its successors and assigns, and the Borrower and the Borrower’s successors and assigns, and no other person shall acquire or have any right under or by virtue of this Bond Purchase Agreement. The term “successors” shall not include any purchaser of the Bonds from the Underwriter merely by reason of such purchase.

15. Notices. Any notice or other communication to be given to any party to this Bond Purchase Agreement may be given by delivering the same in writing at the respective addresses set forth below:

Issuer: Louisville/Jefferson County Metro Government
527 W. Jefferson Street
Louisville, Kentucky 40507
Attention: Economic Development Department
By facsimile: (502) 574-4143

Borrower: Archdiocese of Louisville
212 E. College Street
P.O. Box 1073
Louisville, Kentucky 40201-1073
Attention: Chief Financial Officer
By facsimile: (502) 585-2466

Bank: Fifth Third Bank
401 S. Fourth Avenue
Louisville, Kentucky 40202
Attn: Commercial Loan Dept.
By facsimile: (502) 562-5540

Trustee: The Bank of New York Trust Company, N.A.
614 W. Main Street, Suite 2600
Louisville, Kentucky 40202
Attn: Corporate Trust Services
By facsimile: (502) 566-6954

Underwriter: Fifth Third Securities, Inc.
250 W. Main Street, Suite 100
Lexington, Kentucky 40507
Attn: Municipal Trading
By facsimile: (859) 455-5414

16. Continuing Disclosure. The Borrower hereby agrees that prior to a conversion of the interest rate on the Bonds to the Long Term Rate (as defined in the Indenture), it will undertake the Issuer's obligation to provide certain continuing disclosures to the extent required by Securities and Exchange Commission Rule 15c2-12.

17. Severability. If any provision of this Bond Purchase Agreement shall be held or deemed to be or shall, in fact, be inoperative, invalid or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, rule of public policy, or any other reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Bond Purchase Agreement invalid, inoperative or unenforceable to any extent whatever.

18. Applicable Law. This Bond Purchase Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky, except to the extent that Kentucky conflict of law rules would require the substantive rules of law of any other jurisdiction to apply.

19. Counterparts. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT

By: _____
Mayor

APPROVED AS TO FORM AND LEGALITY:

Irv Maze
Jefferson County Attorney

By: _____

Assistant County Attorney

ROMAN CATHOLIC BISHOP OF LOUISVILLE

By: _____
Sole Officer

FIFTH THIRD BANK

By: _____
Vice President

FIFTH THIRD SECURITIES, INC.

By: _____
Vice President

LIST OF APPENDICES

<u>Appendix</u>	<u>Item</u>
A	Opinion of Counsel to Borrower
B	Approving Opinion of Bond Counsel
C	Opinion of Counsel to Bank

APPENDIX A

[Letterhead of Counsel to Borrower]

APPENDIX B

[Letterhead of Bond Counsel]

APPENDIX C

[Letterhead of Counsel to Bank]

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